27 October 1950

MEMORANDUM FOR: Assistant Director for Policy Coordination

Subject:

Covert Coordination Committee Plan for the Financial Administration of OPC Project

QKDROOP.

1. A meeting of the Covert Coordination Committee was held 29 September 1950 to review OPC project QKEROOP. Hembers present were as follows:

	(Operations Officer, EE/OPC)
	☐(Staff III, OPC)
	(Representative of General Counsel)
	(Representative of Budget Office
777	(Representative of Finance Division
	Secretary and Recorder)

BACKOROUND:

- 1. Subject project provides for financial assistance, material support andoperational guidance for a specific anti-Soviet Russian Emigre Organisation which is actively engaged in semi-covert, as well as covert activities, directed against the Soviet regime and Soviet occupational forces in Germany and Austria.
- The emigre organization makes its headquarters in the U. S. zone of Germany. Contact with the organization will be made by a staff agent operating in Germany and responsible to the Chief of Station, Cermany.
- Approval has been obtained for a total budget of \$24,000 for the remainder of fiscal year 1951, of which \$22,000 is budgeted as subsidy (.070) and \$2,000 as compensation (.07B), all to be expended in the field.
- 4. The staff agent, operating under appropriate cover will take up residence close to the organisation's headquarters and make contact with the group through channels known to the Chief of Station, Germany. After establishing his bona fides, he will maintain contact with the leaders of the organization and pass monies to them for the accomplishment of the projects objectives.
- The exact nature of the specific expenditures for which OPC funds will be provided is not ascertainable at the present time. Accordingly, the Chief of Station and the Staff Agent will be given broad latitude with regard to the development and subsidigation of activities of the emigre group.

This document is part of an integrated file. It separated from the file it must be aubjected to individual systematic review.

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CONSTITUE PLAN:

- 1. In view of the general nature of this project, the concensus of the Committee was that it was not feasible to prescribe any specific controls or procedures but that the following principles should be followed to the optimum extent compatible with operational circumstances:
 - a. Control should be exercised by limiting the subsidy payments to disbursements for specific purposes or for generally approved purposes on a monthly basis.
 - b. Each disbursement voucher submitted as a part of the station financial report shall show the date of payment, the currency and amount paid, identify the recipient by name, capacity or cryptonyam and shall state the specific or general purposes for which the payments were made. Receipts from the recipient or statements as to the reason why receipts were not obtainable should be provided.
 - c. Disbursement vouchers as described above may be certified by the Certifying Officer after approval by the appropriate Approving Officer.
 - d. To the extent deemed feasible, reports should be obtained from the emigre group in the general nature of an accounting for the expenditures of funds. Such operational reports should be forwarded to OPC headquarters for retention in the project file.
 - e. At approximately six month intervals or at any time at the request of the Certifying Officer, the Committee shall review the expenditure vouchers, together with such general accountings as may have been obtained in accordance with above, with a view toward making such further recommendations as may seem warranted.

	Secretary and Recorder
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SIGNED Operations Officer	
Staff III, org	

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